

REMARKS

A. INTRODUCTION

Claims 36-64 were pending.

Claims 36-64 stand rejected.

Upon entry of this Amendment, Claims 45-67 will be pending; Claims 36-44 will be cancelled; Claims 52, 53, and 60 will be amended; and Claims 65-67 will be added.

B. SUMMARY OF TELEPHONE INTERVIEW

We are grateful for the Examiner's courtesy in holding a helpful Telephone Interview on January 27, 2006, with Stephen Tulley and Applicant's representative, Mike Downs.

The Examiner suggested that if Claim 52 were amended to include claim language indicating that a player requests that a set of symbols is to be associated with only a predetermined number of occurrences, Claim 52 would be allowable over the cited references. We are grateful for this suggestion.

The Examiner stated that the claimed feature of *expected value* should be broadly interpreted as referring to any subjective belief of a player as to how much money he could win. We did not agree.

Although no formal agreement was made with respect to the patentability of any claim, we are grateful for the Examiner's time and consideration in discussing the present application in the Telephone Interview.

C. CLAIMS 53 AND 60 ARE AMENDED

Claims 53 and 60 have been amended to correct an obvious error—the term “specified” has been replaced with “predetermined” consistent with the base claim 52. No new matter has been added.

D. DOUBLE PATENTING REJECTIONS

Claim 45-48 stand rejected for obviousness type double patenting as being unpatentable over specified claims of U.S. Patent No. 6688976.

While we do not agree with this rejection, a terminal disclaimer is filed concurrently herewith solely to expedite the prosecution of the present application. Accordingly, the double patenting rejection of Claims 45-48 is moot.

E. SECTION 101 REJECTIONS

We respectfully do not agree with the Examiner's rejections of Claims 36-64 for an alleged failure to output any information, such as a price, in printed form or to a display.

There is no requirement that merely because a particular piece of information is determined that it must be output. State Street Bank does not support the Examiner's rejection. As the rejection under Section 101 applies a standard that departs from the requisite legal analysis, the rejection is flawed.

Contrary to the Examiner's analysis and discussion of State St. Bank, in State St. Bank the Federal Circuit found a useful, concrete, and tangible result in the mere determining of "a final share price momentarily fixed for recording and reporting purposes and even accepted and relied upon by regulatory authorities and in subsequent trades," even though Claim 1 at issue, for example, did not recite any of those potential uses of any "final share price," nor did it require and "output" of the price, as the Examiner is requiring now. In fact, the claim at issue provided for "processing" and "allocating" data:

1. A data processing system for managing a financial services configuration of a portfolio established as a partnership, each partner being one of a plurality of funds, comprising:

(a) computer processor means [a personal computer including a CPU] for processing data;

(b) storage means [a data disk] for storing data on a storage medium;

(c) first means [an arithmetic logic circuit configured to prepare the data disk to magnetically store selected data] for initializing the storage medium;

(d) second means [an arithmetic logic circuit configured to retrieve information from a specific file, calculate incremental increases or decreases based on specific input, allocate the results on a percentage basis, and store the output in a separate file] for processing data regarding assets in the portfolio and each of the funds from a previous day and data regarding increases or decreases in each of the funds, [sic, funds'] assets and for allocating the percentage share that each fund holds in the portfolio;

(e) third means [an arithmetic logic circuit configured to retrieve information from a specific file, calculate incremental increases

and decreases based on specific input, allocate the results on a percentage basis and store the output in a separate file] for processing data regarding daily incremental income, expenses, and net realized gain or loss for the portfolio and for allocating such data among each fund;

(f) fourth means [an arithmetic logic circuit configured to retrieve information from a specific file, calculate incremental increases and decreases based on specific input, allocate the results on a percentage basis and store the output in a separate file] for processing data regarding daily net unrealized gain or loss for the portfolio and for allocating such data among each fund; and

(g) fifth means [an arithmetic logic circuit configured to retrieve information from specific files, calculate that information on an aggregate basis and store the output in a separate file] for processing data regarding aggregate year-end income, expenses, and capital gain or loss for the portfolio and each of the funds.

149 F.3d 1368, 1371, 1373 (Fed. Cir. 1998). The Federal Circuit recognized that Claim 1 is a “machine,” and further clarified that this is only a threshold issue: a claim must be directed to one of the four categories of subject matter contemplated under Section 101. The court continued:

The question of whether a claim encompasses statutory subject matter should not focus on which of the four categories of subject matter a claim is directed to --process, machine, manufacture, or composition of matter--but rather on the essential characteristics of the subject matter, in particular, its practical utility. ...For purpose of our analysis, as noted above, claim 1 is directed to a machine programmed with the Hub and Spoke software and admittedly produces a "useful, concrete, and tangible result." Alappat, 33 F.3d at 1544, 31 U.S.P.Q.2D (BNA) at 1557. This renders it statutory subject matter....

149 F.3d at 1375.

The Examiner’s standard for “useful, concrete, and tangible result” is also contrary to AT&T v. Excel:

Whatever may be left of the earlier test, if anything, this type of physical limitations analysis seems of little value because "after Diehr and Alappat, the mere fact that a claimed invention involves inputting numbers, calculating numbers, outputting numbers, and storing [**23] numbers, in and of itself, would not render it nonstatutory subject matter, unless, of course, its operation does not produce a 'useful, concrete and tangible result.'" Id. at 1374, 47

U.S.P.Q.2D (BNA) at 1602 (quoting Alappat, 33 F.3d at 1544, 31 U.S.P.Q.2D (BNA) at 1557).

172 F.3d 1352, 1359 (Fed. Cir. 1999). The Court found:

The PIC indicator represents information about the call recipient's PIC, a useful, non-abstract result that facilitates differential billing of long-distance calls made by an IXC's subscriber. Because the claimed process applies the Boolean principle to produce a useful, concrete, tangible result without pre-empting other uses of the mathematical principle, on its face the claimed process comfortably falls within the scope of § 101.

172 F.3d at 1358 (emphasis added). Thus, again, the Federal Circuit found that a mere determined value may be a useful, concrete, and tangible result based on what it represents, and not based on any explicit subsequent use or output of that value.

In other words, under the proper standard for statutory subject matter under § 101, contrary to the Examiner's assertion, all that is required is that a claim meet one of the four categories of subject matter and produce a useful, concrete, and tangible result.

The Examiner asserts that the claims do not have an "real world" value. We do not understand how a request to purchase a lottery ticket does not have "real world" value or is a manipulation of an abstract idea. We do not understand how determining the price for a requested lottery ticket, set of symbols, or lottery combination for a drawing does not have "real world" value or is a manipulation of an abstract idea. We do not understand how preventing a set of symbols or numbers from being associated with a lottery ticket or entry does not have "real world" value or is a manipulation of an abstract idea. There are all discrete (i.e. not abstract) results of various claimed embodiments, that like the data processed in State St. Bank, constitute a practical application.

Each of the pending claims is a proper process claim. The Examiner does not dispute this.

Contrary to the Examiner's assertion (which is based on a standard for useful, concrete and tangible result that contradicts the authority the Examiner relies upon) all independent claims (and thus all pending claims) produce a useful, concrete and tangible result.

F. OBJECTION TO CLAIM 60 / NEW CLAIM 66

We are grateful for the Examiner's statement that claim 60 would be allowable if rewritten in independent form. The objection to claim 60 is moot, as independent claim 52 has been amended and thus claim 60 as written is allowable

over the cited references. We have, however, added new claim 66, which recites all of the subject matter of claim 60 as it stood prior to this Amendment, and therefore Claim 66 contains allowable subject matter.

G. SECTION 103(A) REJECTIONS

1. Additional Comments

Our silence with respect to the Examiner's other various assertions not explicitly addressed in this paper, including assertions of what the cited reference(s) teach or suggest, or the Examiner's interpretation of claimed subject matter, is not to be understood as agreement with the Examiner. As the Examiner has not established an un rebuttable prima facie case of obviousness for any of the pending claims, for the reasons stated in this paper, we need not address the Examiner's other assertions at this time.

2. Claims 36-44

Claims 36-40 and 43-44 stand rejected as obvious in light of Scanlon and Double Lotto (and "Our Opinion..."). We do not agree with these rejections, at least because the Examiner's interpretation of "expected value" is not reasonable, is not consistent with the specification, and no evidence has been provided supporting the Examiner's assertion as to how that term would have been understood by one having ordinary skill in the art. However, Claims 36-44 have been cancelled without prejudice for business reasons and in order to pursue particular embodiments that the Examiner has indicated are allowable over the cited art. The rejection is moot. We intend to pursue the subject matter of the cancelled claims in one or more continuing applications.

3. Claims 52-59 and 61-64

Claims 52-59 and 61-64 stand rejected as obvious in light of Scanlon and Our Opinion (and for some claims, "New National Phone Service...").

We do not agree with these rejections. However, for business reasons and in light of the Examiner's helpful suggestion with respect to amendments that the Examiner believes are necessary to overcome the cited references, independent claim 52 has been amended to recite:

receiving, from the lottery terminal, an indication of a request by a player that a set of symbols is to be associated with no more than a predetermined number of occurrences with respect to the drawing

As recognized by the Examiner during the Telephone Interview (see Examiner's Interview Summary), none of the cited references teaches or suggests, in any combination, a request by a player to generally limit the number of

occurrences of a set of symbols with respect to a particular drawing. All of claims 53-64 depend from Claim 52. We respectfully request the Examiner withdraw the Section 103(a) rejection of Claims 52-59 and 61-64.

4. New Claims 65 and 67

New claim 65 depends from claim 52 and recites a feature of printing a lottery ticket. We believe it is allowable for at least the reasons stated herein with respect to Claim 52.

New claim 67 recites a method including a feature not taught or suggested by the cited references:

based on a request by a player received at a lottery terminal, preventing the first set of symbols from being associated with any entry other than the first entry in the pari-mutuel lottery drawing.

We respectfully submit that new claims 65 and 67 contain allowable subject matter.


H. CONCLUSION

It is submitted that all of the claims are in condition for allowance. The Examiner's early re-examination and reconsideration are respectfully requested.

If the Examiner has any questions regarding this amendment or the present application, the Examiner is cordially requested to contact Michael Downs at telephone number (203) 461-7292 or via electronic mail at mtdowns@walkerdigital.com.

Respectfully submitted,

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Date



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